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| EXAMINER |
|---|
| SHRESTHA, BIJENDRA K |

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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

1) ☒ Responsive to communication(s) filed on _02/26/2009_.

2a) ☐ This action is **FINAL**.     2b) ☒ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

4) ☒ Claim(s) _1,4-6,10-15,17 and 18_ is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) _1,4-6,10-15,17 and 18_ is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

**Application Papers**

9) ☐ The specification is objected to by the Examiner.

10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a) ☐ All   b) ☐ Some * c) ☐ None of:

      1. ☐ Certified copies of the priority documents have been received.

      2. ☐ Certified copies of the priority documents have been received in Application No. _____.

      3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

1) ☒ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.

4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____

5) ☐ Notice of Informal Patent Application

6) ☐ Other: _____.

## DETAILED ACTION

Claims 1, 4-6, 10-15 and 17-18 are presented for examination. Applicant filed an amendment on 02/26/2009 amending claim 18. After careful consideration of applicant's arguments and amendments, new grounds of rejections of the claims are established in the instant application as set forth in detail below. Applicant's arguments with respect to claims have been considered but are moot in view of the new ground(s) of rejection.

### Claim Rejections - 35 USC § 112

1.     The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

2.     Claims 1, 10, 17 and 18 rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

As per claims 1, 10, 17 and 18, it recites "indication of a level of confidence associated with netting determination" without distinctly pointing out different level of confidence for the netting determination. Are there a plurality of confidence levels? Appropriate correction is required.

Examiner interpreted the claim language as single level of confidence such as "YES" or "NO" for netting determination for prosecution of this application.

### Claim Rejections - 35 USC § 102

3.　　　　The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that

form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (e) the invention was described in (1) an application for patent, published under section 122(b), by
> another filed in the United States before the invention by the applicant for patent or (2) a patent
> granted on an application for patent by another filed in the United States before the invention by the
> applicant for patent, except that an international application filed under the treaty defined in section
> 351(a) shall have the effects for purposes of this subsection of an application filed in the United States
> only if the international application designated the United States and was published under Article 21(2)
> of such treaty in the English language.

4.　　　　Claims 1, 4-6, 10-15 and 17-18 are rejected under 35 U.S.C. 102(e) as being

unpatentable by Bell, UK Patent Application No. 2,354,608 (reference N in attached

PTO-892).

5.　　　　As per claim 1, Bell teaches a method for performing a netting analysis of a

netting agreement, the method comprising:

　　　　receiving netting agreement information for said netting agreement (see page 1;

lines 11-18; where netting agreement is made between a financial institution and a

counterparty which is stored in dynamic tables (Fig. 2, Dynamic Tables (15); page 2,

lines 18-19),

　　　　said netting agreement information identifying a party, a counterparty, and facts

governing said netting agreement, the of said netting agreement including: a form of

agreement, a governing law, a country of organization, a state or province of

organization, a legal structure, a parent company country of organization, and a parent

company legal structure (see Fig. 4);

　　　　receiving at least one issue associated with said agreement, the at least one

issue based on an existence or non-existence of particular facts in the fact, governing

said netting agreement (see Fig. 3a and 3b; where multiple issues such as dealing

branch, counterparty branch and currency etc. are verified in the agreement);

comparing, using a processor, said facts governing said netting agreement

information with a netting rule that applies to the netting agreement for said at least one

issue (see Figs. 1 and 3b; page 6, lines 15-29 to page 7, lines 1-13); and

generating a netting determination indicative of an ability of the party and

counterparty to net under said netting agreement based, at least in part, on a result of

said comparing, the netting determination having an indication of a level of confidence

(see Fig. 3b, step 39; page 9, lines 14-30 to page 10, lines 1-11; where engine 13

calculate the counterparty credit value, a netting determination, of transactions in a

proposed agreement provided the indication of level of confidence is "YES" which

provides projected exposure values for future deal dates).

The claim  language "associated with the netting determination that indicates an

enforceability of the netting determination in addition to a qualification of the netting

determination" is a intended use recitation and therefore, do not carry any patentable

weight (see MPEP Form Paragraph  07-37-09).

6.      As per claim 4, Bell teaches claim 1 as described above. Bell further teaches the

method comprising:

forwarding said netting determination to an agreement database (see Fig. 2;

page 5, lines 1-7; where netting determination outputted in modeling interface 17;

Examiner interprets the output is stored in netting agreement table or database which

updated in real-time (see page 4, lines 15-18; page 6, lines 8-13).

7.      As per claim 5, Bell teaches claim 1 as described above. Bell further teaches the
method comprising:

        forwarding said netting determination to a credit database; and updating a net
credit amount associated with said counterparty and said party in said credit database
(see Fig. 1, Exposure updating (1) and Global Exposure & Limit DB (3); page 1, lines
14-18; page 10, lines 8-11).

8.      As per claim 6, Bell teaches claim 1 as described above. Bell further teaches the
method comprising:

        forwarding said netting determination to a FASB database; and updating a
netting amount associated with said counterparty and said party in said FASB database
(see claim 5; Examiner notes that netting determination could be sent to any database
including FASB).


9.      As per claim 10, Bell teaches a method for performing a netting analysis of a
netting agreement, the method comprising:

        identifying fact data associated with said netting agreement, said fact data
including data identifying a contracting entity and data identifying a counterparty (see
Fig. 3a; steps 25-27; where netting agreement is located which examiner notes include
identifying contracting entity and counterparty);

        identifying a default set of issues associated said fact data associated with said
netting agreement, said default set of issues based on an existence or non-existence of
particular facts governing said netting agreement (see Fig. 3a; where validity of

information such as current date, jurisdiction, counterparty country, products in the netting agreement is verified);

identifying facts in said fact data associated with said netting agreement and associated with a first issue from said default set of issues, said fact including: a form of agreement, a governing law, a country of organization, a state or province of organization, a legal structure, a parent company country of organization, and a parent company legal structure (see Fig. 4);

applying, using a processor a netting rule to said fact data for said first issue, said netting rule selected based at least in part on said first issue (see Figs. 1 and 3b; steps 33 and 34; where netting rule is applied for Dealing Branch A and B); and

generating a netting determination based at least in part on said application of said netting rule and indicative of an ability of the party and counterparty to net under said netting agreement, the netting determination having an indication of a level of confidence (see Fig. 3b, step 39; page 3, lines 5-17; page 9, lines 14-30 to page 10, lines 1-11; where engine 13 calculate the counterparty credit value, a netting determination, of transactions in a proposed agreement provided the indication of level of confidence is "YES" which provides projected exposure values for future deal dates).

The claim language "associated with the netting determination that indicates an enforceability of the netting determination in addition to a qualification of the netting determination" is a intended use recitation and therefore, do not carry any patentable weight (see MPEP Form Paragraph 07-37-09).

10. As per claim 11, Bell teaches claim 10 as described above. Bell further teaches the method comprising:

identifying fact data associated with a second issue (see Fig. 3b, steps 35 and 36; where data associated with a second issue is Counterparty Branch A and B);

applying a second netting rule to said fact data for said second issue, said second netting rule selected based at least in part on said second issue; and generating a netting determination based at least in part on said application of said netting rule and said second netting rule (see Fig. 3b; page 8, lines 21-30).

11. As per claim 12, Bell teaches claim 10 as described above. Bell further teaches the method comprising:

identifying fact data associated with a third issue (see Fig. 3b, steps 37 and 38; where data associated with a second issue is Currency A and B);

establishing a new netting rule based at least in part on said fact data and said third issue; applying said new netting rule to said fact data for said third issue; generating a netting determination based at least in part on said application of said netting rule and said new netting rule (see Fig. 3b; page 9, lines 1-10).

12. As per claim 13, Bell teaches claim 10 as described above. Bell further teaches the method comprising:

calculating a new netting position between said contracting entity and said counterparty based on said netting agreement and a prior netting position (see page 1, lines 13-18).

13.      As per claim 14-15, Bell teaches claim 10 as described above. Bell further

teaches the method comprising:

       updating a credit database and FASB based on said new netting position (see

Fig. 1, Exposure updating (1) and Global Exposure & Limit DB (3); page 4, lines 14-18;

page 10, lines 8-11; where exposure is updated dynamically).


14.      As per claim 17, Bell teaches an apparatus for performing netting analysis of

counterparty netting agreements, comprising:

       a processor (see Fig. 1, Central server (2); page 4, lines 11-18)

       a communications device in communication with said processor, receiving

counterparty agreement data (see Fig. 2; page 2, lines 26-30); and

       a memory unit in communication with said processor and storing a program,

wherein the processor is operative with said program to identifying, from said

counterparty netting agreement data, a party, a counterparty to said counterparty

netting agreement, and facts governing said counterparty netting agreement, the facts

of said counterparty netting agreement including: a form of agreement, a governing law,

a country of organization, a state or province of organization, a legal structure, and a

parent company country of organization (see Fig. 1; Global Exposure &  Limits DB (3);

page 4, lines 11-24);

       receiving at least one issue associated with said agreement, the at least one

issue based on an existence or non-existence of particular facts in the facts, governing

said netting agreement (see Fig. 3a and 3b; where multiple issues such as dealing

branch, counterparty branch and currency etc. are verified in the agreement);

comparing, using a processor said facts governing said netting counterparty

netting agreement data with a netting rule that applies to said counterparty netting

agreement for said at least one issue (see Figs. 1 and 3b; page 6, lines 15-29 to page

7, lines 1-13); and

generating a netting determination for said counterparty netting agreement based

at least in part on a result of said comparing and indicative of an ability of the party and

counterparty to net under said counterparty netting agreement, the netting

determination having an indication of a level of confidence (see Fig. 3b, step 39; page 3,

lines 5-17; page 9, lines 14-30 to page 10, lines 1-11; where engine 13 calculate the

counterparty credit value, a netting determination, of transactions in a proposed

agreement provided the indication of level of confidence is "YES" which  provides

projected exposure values for future deal dates).

The claim  language "associated with the netting determination that indicates an

enforceability of the netting determination in addition to a qualification of the netting

determination" is a intended use recitation and therefore, do not carry any patentable

weight (see MPEP Form Paragraph  07-37-09).


15.     As per claim 18, Bell teaches a processor readable medium storing a plurality of

processing instructions for performing a netting analysis of a netting agreement (see

Fig. 1 and 2), comprising issuable instructions by a processor:

identify fact data associated with said netting agreement, said fact data including data identifying a contracting entity and data identifying a counterparty (see page 4, lines 20-24);

identify a default set of issues associated with said netting agreement, said default set of issues based on an existence or non-existence of particular facts, governing said netting agreement (see Fig. 3a and 3b; where multiple issues such as dealing branch, counterparty branch and currency etc. are verified in the agreement);

identify facts in said fact data associated with said netting agreement and associated with a first issue from said default set of issues, said fact including: a form of agreement, a governing law, a country of organization, a state or province of organization, a legal structure, a parent company country of organization, and a parent company legal structure (see Fig. 4);

apply a netting rule to said fact data for said first issue, said netting rule selected based at least in part on said first issue (see claim 10) ; and

generate a netting determination based at least in part on said application of said

netting rule and indicative of an ability of the party and counterparty to net under said

netting agreement, and  the netting determination having an indication of a level of

confidence (see Fig. 3b, step 39; page 3, lines 5-17; page 9, lines 14-30 to page 10,

lines 1-11; where engine 13 calculate the counterparty credit value, a netting

determination, of transactions in a proposed agreement provided the indication of level

of confidence is "YES" which  provides projected exposure values for future deal dates)

The claim  language "associated with the netting determination that indicates an

enforceability of the netting determination in addition to a qualification of the netting

determination" is a intended use recitation and therefore, do not carry any patentable

weight (see MPEP Form Paragraph  07-37-09).


### *Response to Arguments*

16.      After careful consideration of applicant's arguments and amendments, new

grounds of rejections of the claims are established in the instant application as set forth

in detail below. Applicant's arguments with respect to claims have been considered but

are moot in view of the new ground(s) of rejection.  Accordingly, this action is **Non-**
**Final.**

Bell teaches generating a netting determination and the netting determination

having an indication of a level of confidence (Bell, Fig. 3b, step 39; page 3, lines 5-17;

page 9, lines 14-30 to page 10, lines 1-11; where engine 13 calculate the counterparty

credit value, a netting determination, of transactions in a proposed agreement provided

the indication of level of confidence is "YES" which provides projected exposure values

for future deal dates)

    The claim language "associated with the netting determination that indicates an

enforceability of the netting determination in addition to a qualification of the netting

determination" is a intended use recitation and therefore, does not carry any patentable

weight (see MPEP Form paragraph 07-37-09).


<div align="center">***Conclusion***</div>

17.    The prior art made of record and not relied upon is considered pertinent to

applicant's disclosures. The following are pertinent to current invention, though not

relied upon:

    Ali et al. (U.S. Patent No. 6,996,427) teach pulse proximity data confidence

indicator

    Cotton et al. (U.S. Patent No. 6,076,074) teach system and method for intraday

netting payment finality.

    Jaro (U.S. Patent No. 6,938,053) teaches categorization based on record linkage

theory.

    Mills et al. (U.S. Patent no. 7,024,386) teach credit handling in an anonymous

trading system.

    Mills et al. (U.S. Pub No. 2002/0099641)) teach credit handling in an anonymous

trading system.

Mosler et al. (U.S. Patent No. 6,304,858) teach method, system and computer program product for trading interest rate swaps.

Shepherd (U.S. Patent No. 7,149,720) teaches system for exchanging an obligation.

Shulman et al. (U.S. Pub No. 2002/0152147) teach system and method for interest-based data management.

Rosen et al. (U.S. Patent No. 5,774,553) teach foreign exchange transaction system.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Bijendra K. Shrestha whose telephone number is (571)270-1374. The examiner can normally be reached on 8:00 AM-4:30 PM (Monday-Friday).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571)272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the

Patent Application Information Retrieval (PAIR) system. Status information for

published applications may be obtained from either Private PAIR or Public PAIR.

Status information for unpublished applications is available through Private PAIR only.

For more information about the PAIR system, see http://pair-direct.uspto.gov. Should

you have questions on access to the Private PAIR system, contact the Electronic

Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a

USPTO Customer Service Representative or access to the automated information

system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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